



**COUNTY OF LAKE  
BOARD OF SUPERVISORS**

Courthouse - 255 North Forbes Street  
Lakeport, California 95453  
Telephone (707) 263-2368  
Fax (707) 263-2207

**Jim Comstock**  
District 1

**Jeff Smith**  
District 2

**Denise Rushing**  
District 3

**Anthony Farrington**  
District 4

**Rob Brown**  
District 5

June 25, 2009

TO: Governor Schwarzenegger  
and Members of the State Legislature

Transmitted herewith please find Lake County Board of Supervisors Resolution No. 2009-106, a Resolution Authorizing County Counsel to Cooperate with the California State Association of Counties, Other Counties and Cities in Litigation Challenging the Constitutionality of Any Seizure By State Government of the Highway Users Tax Account (HUTA) Funds.

While we clearly understand the difficult choices you face in light of the current budget crisis, our Board strongly opposes any efforts that are contrary to the will of the electorate as expressed in Proposition 5 (1974) and Proposition 2 (1998), concerning the use of gas tax.

These funds are absolutely vital to local government's ability to provide the most basic road and street maintenance. We simply cannot do without these funds, even for only a one-year period of time.

Thank you for your consideration of our position on this very important matter.

LAKE COUNTY BOARD OF SUPERVISORS

Denise Rushing, Chair

**BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA**

**Resolution No. 2009-106**

**A RESOLUTION AUTHORIZING THE COUNTY COUNSEL TO COOPERATE WITH THE CALIFORNIA STATE ASSOCIATION OF COUNTIES, OTHER COUNTIES AND CITIES IN LITIGATION CHALLENGING THE CONSTITUTIONALITY OF ANY SEIZURE BY STATE GOVERNMENT OF THE HIGHWAY USERS TAX ACCOUNT (HUTA) FUNDS**

**WHEREAS**, the current economic crisis has placed counties under incredible financial pressure and caused them to make painful budget cuts, including layoffs and furloughs of county workers, decreasing maintenance and operations of public facilities, and reductions in direct services to keep spending in line with declining revenues; and

**WHEREAS**, since the early 1990s the state government of California has seized **billions** of county property tax revenues statewide, now amounting to over \$5 million each year, to fund the state budget even after deducting public safety program payments to counties by the state; and

**WHEREAS**, in his proposed FY 2009-10 budget the Governor has proposed transferring \$1 billion of local gas taxes and weight fees to the state general fund to balance the state budget, and over \$700 million in local gas taxes permanently in future years, immediately jeopardizing the ability of the County to maintain the County's streets and roads, bridges, traffic signals, streetlights, sidewalks and related traffic safety facilities for the use of the motoring public; and

**WHEREAS**, the loss of almost all of the County's gas tax funds will seriously compromise the County's ability to perform critical traffic safety related street and road maintenance, including, but not limited to, clearing from mudslides and flooding, snowplowing, drastically curtailing patching, resurfacing, street lighting/traffic signal maintenance, bridge maintenance and repair, sidewalk and curb ramp maintenance and repair, and more; and

**WHEREAS**, some counties report to the California State Association of Counties that these revenues are the lifeline for their transportation departments representing a significant portion of their personnel costs for critical operations. They will be forced to eliminate a part or all of their transportation staff, which will effect their ability to respond to emergencies and meet basic needs of the public. Furthermore, counties expect that liability damage awards will mount as basic maintenance is ignored and traffic accidents, injuries and deaths increase; and

**WHEREAS**, in both Proposition 5 in 1974 and Proposition 2 in 1998 the voters of our state overwhelmingly imposed restriction on the state's ability to do what the Governor has proposed, and any effort to permanently divert the local share of the gas tax would violate the state constitution and the will of the voters; and

**WHEREAS**, counties and cities maintain 81% of the state road network while the state directly maintains just 8%; and

**WHEREAS**, ongoing road maintenance is a significant public safety concern where fatality rates on county roads already exceed those of the State's freeway system. A county's failure to

maintain its paved road network (potholes filling, sealing, overlays, etc.), traffic signals, signs, and street lights has a direct correlation to traffic accidents, injuries and deaths; and

**WHEREAS**, according to a recent statewide needs assessment<sup>1</sup> on a scale of zero (failed) to 100 (excellent), the statewide average pavement condition index (PCI) is 68, or "at risk." Local streets and roads will fall to "poor" condition (Score of 48) by 2033 based on existing funding levels available to counties and cities. The 10-year revenue shortfall to address this problem is already \$71 billion without this additional loss.

**NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF LAKE** hereby directs the County Counsel to take all necessary steps to cooperate with the California State Association of Counties, other counties and cities in supporting litigation against the State of California if the legislature enacts and the governor signs into law legislation that unconstitutionally diverts the County's share of funding from the Highway Users Tax Account (HUTA), also known as the "gas tax," to fund the state general fund; and

**RESOLVED FURTHER**, that the Clerk of the Board shall send this resolution with an accompanying letter from the Chair of the Board of Supervisors to the Governor and each legislator, informing them in the clearest of terms of the County's adamant resolve to oppose any effort to frustrate the will of the electorate as expressed in Proposition 5 (1974) and Proposition 2 (1998) concerning the proper use and allocation of the gas tax; and

**RESOLVED FURTHER**, that a copy of this Resolution shall be sent by the Clerk of the Board to the California State Association of Counties, the local chamber of commerce, and other community groups whose members are affected by this proposal to create unsafe conditions on the roads of our County for pedestrians, bicyclists and motorists.

**ADOPTED** this 23rd day of June, 2009.

*Debra Rush*  
Chair, Board of Supervisors

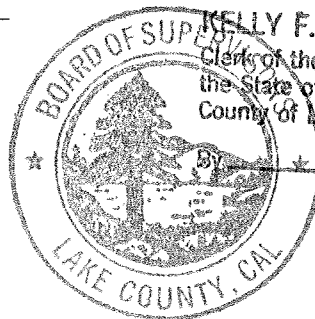
ATTEST:

Clerk of the Board

By: *Angie Hunt*  
Deputy

The within instrument is a correct copy of the Document on file in this office.

ATTEST: 6.23.09



KELLY F. COX  
Clerk of the Board of Supervisors of the State of California in and for the County of Lake.

By: *Angie Hunt*

APPROVED AS TO FORM:

*Anita L. Grant*  
Anita L. Grant  
County Counsel

<sup>1</sup> California Statewide Local Streets and Roads Needs Assessment, Nichols Consulting Engineers, Chtd. (2008), sponsored by the League of California Counties, California State Association of Counties and County Engineers Association of California.